



Kirby Richards - H1EA &lt;kirby.richards@gsa.gov&gt;

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**Hotline Case H21H00092 Referral - FYI**

1 message

**Fraudnet via HL Workflow Referral** <hl-referral@gsa.gov>

Fri, Jun 11, 2021 at 2:56 PM

Reply-To: Fraudnet@gsaig.gov

To: HL-referral@gsa.gov

**Via Electronic Mail**

The General Services Administration (GSA) Office of Inspector General (OIG) Fraud Hotline Office received the following complaint. We are referring this matter to you for your review and whatever action you deem appropriate. A response to us is not necessary. We understand that this complaint is being handled under other avenues, but our office wanted to make you aware of the complaint that we received.

Thank you,

Hotline Division  
Office of Inspector General  
U.S. General Services Administration

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----- Forwarded by Deanna N. Guzeh/JII/CO/GSAIG on 06/11/2021 2:54 PM -----

From: "GSA Office of Inspector General" <OIG\_PublicAffairs@gsaig.gov>  
To: [fraudnet@gsaig.gov](mailto:fraudnet@gsaig.gov)  
Date: 06/05/2021 12:07 PM  
Subject: Hotline form submission from website  
Sent by: [OIG\\_PublicAffairs@gsaig.gov](mailto:OIG_PublicAffairs@gsaig.gov)

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Submitted on Saturday, June 5, 2021 - 12:07  
Submitted by anonymous user: 68.106.39.124  
Submitted values are:

How do you wish to be identified? No restriction

Email (optional): [michael.peters@lazarusalliance.com](mailto:michael.peters@lazarusalliance.com)

Name (optional): Michael Peters

Street Address (optional): 27743 N. 70TH STREET,, SUITE 100,

State (optional): Arizona

Zip Code (optional): 85266

City (optional): SCOTTSDALE

Describe your complaint by answering the following questions: Who did it? Include names, addresses, and phone numbers of individuals or GSA contractors involved.:

John Hamilton

FedRAMP Program Manager of Security Operations

Technology Transformation Service GSA

(b) (6) [william.hamilton@gsa.gov](mailto:william.hamilton@gsa.gov)

Brian H. Conrad  
(Acting) FedRAMP Director  
Program Manager for Cybersecurity

[brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)

Phone (b) (6)

When did it happen? Between February - June 2021.

Which GSA program or office was involved? : FedRAMP

What did they do that was wrong and how did they do it? Please describe the behavior or event in as much detail as possible.:

We have been a FedRAMP 3PAO in good standing for 5 years. We are also a small veteran-owned business.

We have been denied due process according to the 3PAO Obligations and Performance Standards, Version 3.1, May 18, 2021 and have had our accreditation revoked which is extremely damaging to our business and active FedRAMP customers.

Additionally, because of a previous complaint concerning a similar issue with the PMO not following procedures, we believe this is a clear case of reprisal on the part of William Hamilton. He has been allowed to make decisions about corrective actions to address PMO documentation concerns (we do disagree with many subjective opinions and errors in the analysis). We have been denied the ability to dispute or discuss the verdict and have been removed from the FedRAMP 3PAO program.

Given the gravity of revocation, with no apparent peer review or oversight into the process, we also believe this is an abuse of power and authority.

Do you have first hand knowledge of the event? : Yes

Where can we obtain evidence of this event? : The PMO office documentation and our company records.

Who else knows about the event and how do they know? : Our customers are aware of this as it has caused certification problems, financial problems, 3PAO problems. Our team and the PMO.

There is a very clear documentation trail to show that procedures were not followed, that due process was not provided, that reprisal occurred, and abuse of position has occurred.

Please provide us with your telephone number and any special instructions about contacting you during the day or names and telephone numbers for anyone else who can corroborate the allegations.: 7628224174

The results of this submission may be viewed at:

<https://www.gsaig.gov/node/4/submission/3670>

----- Forwarded by Deanna N. Guzeh/JII/CO/GSAIG on 06/11/2021 2:54 PM -----

From: "Michael Peters" <[michael.peters@lazarusalliance.com](mailto:michael.peters@lazarusalliance.com)>

To: [fraudnet@gsaig.gov](mailto:fraudnet@gsaig.gov), (b) (6) @azleg.gov, (b) (6) @azleg.gov, (b) (6) @kelly.senate.gov, [Katy.Kale@gsa.gov](mailto:Katy.Kale@gsa.gov), [Carol.Ochoa@gsa.gov](mailto:Carol.Ochoa@gsa.gov), [engage@az.gov](mailto:engage@az.gov), "Tee Rowe" (b) (6) @americassbdc.org>

Date: 06/06/2021 03:56 PM

Subject: Re: FedRAMP 3PAO Revocation Notice: Lazarus Alliance

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To whom it may concern,

We would appreciate your assistance with resolving a problem with the GSA FedRAMP PMO program that threatens our Arizona-based, veteran-owned, small business, by eliminating our ability to provide cybersecurity services to the Federal and State government.

The nature of this complaint and appeal to the GSA OIG is simple. There are four distinct grievances we have with a lack of due process, lack of impartiality, lack of accountability, and violations of established antitrust laws by the FedRAMP PMO.

We would be grateful if you, as an interested party, could assist us with our GSA OIG whistleblower complaint. We need our FedRAMP 3PAO status reinstated, the FedRAMP CSP Somnoware package fairly examined, and this career bureaucrat who is harassing us named in our complaint held accountable.

For additional context, I have attached and mailed a detailed letter provided to everyone.

Best regards,

**Michael D. Peters**

eJD, MBA, C|CISO, CISSP, CRISC, CISA, CGRCA,  
QSA, CMBA, CISM, CGRCP, CCE, ISSA Hall of Fame

**CEO Lazarus Alliance, Inc.** - Proactive Cyber Security®

M: [1-762-822-4174](tel:1-762-822-4174) | O: [1-888-896-7580](tel:1-888-896-7580) x20 | Schedule a **25-Minute**  
or a **55-Minute** consultation with me.

**Lazarus Alliance is a proud veteran-owned business.**

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any computer.

On Thu, Jun 3, 2021 at 1:11 PM John Hamilton <[william.hamilton@gsa.gov](mailto:william.hamilton@gsa.gov)> wrote:  
Michael -

Please be advised that Lazarus Alliance's FedRAMP recognition status has been formally revoked and your organization's FedRAMP Marketplace page has been removed. This is a result of Lazarus Alliance's inability to provide a sufficient corrective action plan (CAP) response to remediate the repeated security assessment

report (SAR) (i.e., test case workbook and penetration test report) accuracy and completeness concerns, identified by both the FedRAMP PMO and the Department of Veterans Affairs (VA), for the Somnoware initial authorization assessment.

Specifically, Lazarus Alliance's CAP response identified a failure in the organization's quality management process for each of the SAR issue areas identified, and implemented a corrective action to require two key members of the Lazarus Alliance leadership team, with the requisite technical ability, to examine the deliverables prior to authorizing them to be provided to their customer, agency, or other authority. However, the formal complaint letter sent by the FedRAMP PMO identified more than documentation quality concerns. The formal complaint letter also identified technical competency as an area of concern that was not adequately addressed in the Lazarus Alliance CAP response. The issue of technical competency was further highlighted by Lazarus Alliance's resubmitted Somnoware SAR deliverables (as part of the CAP response), which demonstrated that the 3PAO's corrective action of implementing a second quality reviewer was not sufficient to address the FedRAMP PMO's concerns. The resubmitted SAR deliverables (i.e., the test case workbook and penetration test report) did not illustrate adequate technical competence of the assessors. The key concern areas are noted in the attached letter.

In accordance with the [FedRAMP 3PAO Obligations and Performance Standards](#) document, Lazarus Alliance's "Revoked" status indicates the organization is not authorized to provide FedRAMP assessment services for CSPs pursuing or maintaining FedRAMP authorizations. All public facing marketing materials indicating Lazarus Alliance's FedRAMP recognition must also be removed to be in compliance with [FedRAMP's branding guidelines](#).

To regain FedRAMP recognition status, Lazarus Alliance is required to re-enter the qualification process through the A2LA Cybersecurity Inspection Body Program.

If you have any additional questions, please email [info@fedramp.gov](mailto:info@fedramp.gov).

Thank You -

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John Hamilton  
FedRAMP Program Manager of Security Operations  
Technology Transformation Service | GSA  
(b) (6) | [william.hamilton@gsa.gov](mailto:william.hamilton@gsa.gov)

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HL-Referral Team  
Executive Secretariat Division  
(b) (6)  
(b) (6)

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You received this message because you are subscribed to the Google Groups "HL Workflow Referral" group. To unsubscribe from this group and stop receiving emails from it, send an email to [hl-referral+unsubscribe@gsa.gov](mailto:hl-referral+unsubscribe@gsa.gov). To view this discussion on the web visit (b) (5)



**FedRAMP Recognition Revocation Letter-Appeal-2021060601.pdf**  
163K



June 6, 2021

To: Katy Kale  
Acting Administrator  
General Services Administration

Carol Ochoa  
Inspector General  
General Services Administration

From: Michael Peters  
CEO  
Lazarus Alliance, Inc.

Re: Lazarus Alliance, Inc. FedRAMP Recognition Revocation Letter

To whom it may concern,

Lazarus Alliance, Inc. has been a FedRAMP 3PAO in good standing for 5 years. We are a small Arizona-based, veteran-owned, service business with twelve full time employees and sixteen part time employees all of which are US citizens. We received on 6/3/2021 from the FedRAMP PMO the Lazarus Alliance, Inc. FedRAMP Recognition Revocation Letter.

The nature of this complaint and appeal is simple. There are four distinct grievances we have with lack of due process, lack of impartiality, lack of accountability, and violations of established antitrust laws by the FedRAMP PMO.

We have been denied due process according to the FedRAMP program's own 3PAO Obligations and Performance Standards, Version 3.1, May 18, 2021 and have had our accreditation revoked. We have been denied the ability to dispute, appeal, or discuss the verdict and have been summarily removed from the FedRAMP 3PAO program leaving no trace of our good work.

Because of a previous, and current GSA OIG complaints concerning similar issues with the FedRAMP PMO, we believe this is a clear case of reprisal and retaliation on the part of FedRAMP Program Manager, William Hamilton. Instead of recusing himself due to being named in both GSA OIG whistleblower complaints, he has been allowed to make decisions about corrective actions to address PMO documentation "concerns".

While there are some issues with the completeness of some documentation, we do vehemently disagree with most of the subjective opinions, errors in the analysis method, and unqualified technical opinion provided by the PMO. There are several errors the PMO has made in interpretation, the examination of incorrect documentation, and circumventing their own procedural steps when issues arise. The circular logic applied to us places us into an insurmountable condition whereby the only outcome is our revocation and destruction of our business.

Who holds the PMO accountable for their errors, omissions, and mistakes? Why is the PMO allowed to Revoke any 3PAO's accreditation without peer review by an independent committee? This is a serious abuse of power with no apparent expedient remedy for those parties affected.

It is a well socialized fact among our fellow FedRAMP 3PAOs that the PMO wishes to reduce the number of 3PAO companies. One tactic is to unfairly scrutinize documentation with is unique and subjective leaving it ripe for performance complaints by the PMO. Additionally, the FedRAMP Marketplace scoreboard unfairly favors the large firms over the small. This practice we believe violate the antitrust laws within the US supply chain. It is discriminatory by design.

This action completely destroyed a vital part of our growing business and has put us at serious risk of bankruptcy due to the number of current FedRAMP customers we have contracts with who will now be required to seek assistance somewhere else. Any financial impacts and market opportunities we and our customers will now lose create litigation threats, reputation threats, and solvency threats to our business.

Under these conditions alone, our FedRAMP 3PAO revocation should be reversed, an independent evaluation of our 3PAO submission on the part of the CSP Somnoware should be all be expedited to mitigate any continued damage it is already causing multiple American businesses providing innovative and necessary services and solutions to the Federal government, and William Hamilton and Brian Conrad should be help accountable.

## **Additional Information**

### **Failure to follow established due process procedures**

From a due-process standpoint, we were issued a formal complaint letter on 5/13/2021 titled Formal Complaint Letter: Lazarus Alliance, Inc. – Somnoware Security Assessment Report Accuracy and Completeness Concerns. The three key issues identified in that letter were:

- Testing Accuracy and Completeness: General SAR Concerns
- Testing Accuracy and Completeness: Test Case Workbook
- Testing Accuracy and Completeness: Penetration Test Report

Referencing the 3PAO Obligations and Performance Standards, Version 3.1, May 18, 2021 has three distinct phases which are:

1. Consultation
2. In-Remediation
3. Revoked

The definition of the Consultation phase is "If a 3PAO has minor deficiencies, such as incomplete testing, poor document quality, or inaccurate testing associated with FedRAMP's 3PAO performance standards."

The Consultation phase stipulates "The 3PAO must develop and submit an internal Corrective Action Plan (CAP) to info@fedramp.gov within 10 business days of the meeting."

Lazarus Alliance was never placed into a Consultation status denying us the ability to remediate any concerns the PMO may have.

We were however immediately placed into an In-Remediation status which by definition is "If a 3PAO has deficiencies, such as repeated performance issues, submission of conditional CSP authorization recommendations, or fails to complete the internal CAP as part of the "Consultation" status corrective action requirements."

Again, Lazarus Alliance was never placed into a Consultation status denying us the ability to remediate any concerns the PMO may have, and instead placed into an In-Remediation status.

We participated in a meeting with the PMO to discuss the formal complaint letter and seek guidance to correct the issues identified by the PMO. The guidance we received was very generic. We asked for more detailed guidance and were referred to the SAR training module which we review each year. This course is a very brief 30 minute training program and covers just the fundamentals of completing the SAR.

The Somnoware SAR is our very first SAR submission to the FedRAMP PMO. We have been a 3PAO for five years. Each year we are examined by the A2LA to confirm the quality of our work product and client records. There have been no instances of a SAR being examined since this is our first.

Search for SAR on the FedRAMP.gov site produces 4 results, all of which provide no guidance whatsoever on completing the SAR report, or the test case worksheet. The SAR-AA-FedRAMP-Moderate-Security-Test-Case-Procedures spreadsheet alone has over 24,240 data points that we as a 3PAO must evaluate and document.

The In-Remediation phase stipulates "The 3PAO must develop and submit an internal Corrective Action Plan (CAP) to info@fedramp.gov within 10 business days of the meeting." We submitted our three CAPs, training records for the entire team, artifacts of updates to our quality manual, project management system, and training programs. We also submitted the corrections to the Somnoware Security Assessment Report (SAR), Security Assessment Test Case Workbook, and Penetration Test Report. All of this work was completed within the 10 day deadline.

We were not afforded a meeting with the PMO to receive guidance or feedback on the Corrective Action Plan we submitted, but instead received the Lazarus Alliance, Inc. FedRAMP Recognition Revocation Letter on 6/3/2021.

In that letter there are a handful of "several results" or "in many cases" comparing our 5/11/2021 submission to our 5/19/2021 submission of documentation. The comments in this letter are comparing things from prior submissions which from an analysis standpoint of "what is the CSP's" current risk posture, is just plain illogical, or is an attempt to make a case to intentionally revoke our accreditation by building a circular argument. I am completely convinced that regardless of how well we crafted our documentation, we will still be in the same spot because we are being evaluated and judged by William Hamilton.

### **The first GSA OIG complaint during the Mathew Goodrich tenure as FedRAMP Director**

During our five years as a 3PAO, we have grown increasingly wary of interactions with the FedRAMP PMO. Every single encounter with John Hamilton causes us to endure his condescending, antagonizing, kangaroo court style of heavy-handedness. We have numerous recordings and witnesses of his bombastic unprofessional demeanor.

Our very first RAR caused us to go into a In-Remediation status due to documentation inconsistencies, again bypassing the Consultation phase of procedural due process. John berated us in front of our client which was appalling and damaging to our reputation and

credibility with our customer. Additionally, the former FedRAMP Director Mathew Goodrich piled on the unprofessional treatment of me and my team. We then filed our first GSA OIG complaint concerning the abuse of position, errors and omissions in the PMO's analysis of our work and circumventing the due process procedures published.

The reality in this case was that the PMO had examined the wrong documentation. Upon reviewing the correct documentation, the RAR was approved and our In-Remediation status removed. Do you think we ever received an apology for that drama? No, we did not. That customer chose not to pursue their FedRAMP certification due to multiple negative interactions they had themselves with the PMO. They are, however, still our customer which is a testimony to our performance.

### **The quiet years during the Ashley Mahan tenure as FedRAMP Director**

We did enjoy two years when Ashley Mahon was the FedRAMP Director. During her tenure, we successfully completed another RAR and a Tailored certification without any trouble, remediation, or drama. Small potatoes I know compared to the PMO favorites on the Marketplace Scoreboard. That Scoreboard favors the few big firms and discriminates against the many small companies like mine. This practice we believe violates the antitrust laws for the supply chain vertical arrangements.

### **The second and third GSA OIG complaints during the Brian Conrad tenure as FedRAMP Director**

Now Brian Conrad is the FedRAMP Director and we again are experiencing significant problems appealing the PMO. No offense meant to Brian whom I genuinely believe is a good guy. Point in case that during our 5/13/2021 call with the PMO, I was encouraged when he told me that "You are not alone. All 3PAOs go through this." My only grievance is that it seems that John Hamilton is again off his leash and he's back to biting everyone in the neighborhood. Who exactly is in charge there at the PMO; Brian Conrad, or John Hamilton? Brian Conrad is either complacent or an active participant.

I've repeatedly expressed my trepidation to Brian and Ashley about Hamilton's intentions towards us. It is our belief that the PMO wishes to reduce the number of FedRAMP 3PAOs. During our initial accreditation, our assessor told me this was known but not advertised. During the past five years this same specific issue has been shared with me by several other 3PAOs.

We receive a complaint letter and 10 days to provide a response that is acceptable to the PMO. The complaint is very generic, leaving a lot of interpretation to the respondent. We always ask for guidance but receiving any meaningful or timely guidance is almost non-existent.

For example, the following complaint in our Corrective Action Report was:

"Inconsistencies in the test case workbook made it difficult to determine the security posture of the service, and specifically, where there were findings versus where no findings were indicated. Several of the test case workbook assessment results were edited post assessment, and some of these edits raise concern about the integrity of the assessment."

This SAR-AA-FedRAMP-Moderate-Security-Test-Case-Procedures spreadsheet as I mentioned above has over 24,240 data points that we as a 3PAO must evaluate and document. Since we are revising the report, of course we were required to edit the spreadsheet. So, complaining that "Several of the test case workbook assessment results were edited post assessment, and some of these edits raise concern about the integrity of the assessment." resembles the classic definition of circular reasoning which is a logical fallacy in which the reasoner begins with what they are

trying to end with. John Hamilton wishes Lazarus Alliance out of the FedRAMP 3PAO program, so John Hamilton will decide what he wants to see.

Is it possible that there may be some "inconsistencies" in a manual spreadsheet containing 24,240 data points? As much as we try and as careful as we are, it is certainly plausible. I even freely admit that our first submission was incomplete, for which we regret the oversight. Again, the PMO provides no examples of the SAR to 3PAOs. You do your best to interpret the requirement, ask colleagues who may have experience, and even obtain examples by successful competitors if you have a current client willing to share.

Let me remind everyone that our testing was completed over fourteen months prior to being reviewed by the FedRAMP PMO. The review by the PMO is of stale evidence. The Penetration Test Report is about findings that no longer exist. So much of this body of evidence is about a state of time far in the past where cybersecurity is concerned. This egregious delay in the certification process is nothing but a barrier to innovation and progress.

Another complaint states that "The scan results were presented as both the penetration test and as the scan results in the SAR (as before). Since it appears only unauthenticated scans were performed, it is unclear if these scans identified all vulnerabilities in the system." This is completely incorrect. We clearly document the authenticated testing, and in fact the evidence report files even include "Authenticated" in the filename which is listed in the report.

When considering the qualifications of each member of the PMO team, it is clear no one possesses the skills, credentials or training to conduct a penetration test, much less be an authority on interpreting a test result. This is a skill possessed by me, my employees and fellow 3PAOs which we are all accredited annually for by the A2LA. If the PMO has a question or concern about a test result, the professional approach would be to simply ask the assessor instead of the draconian "In-Remediation" or "Revoked" approach taken by the PMO.

It is also quite important to point out that the FedRAMP PMO does not provide a template for the Penetration Test Report. So again, we are left to interpret the requirement, ask colleagues who may have experience, and even obtain examples by successful competitors if you have a current client willing to share.

### **The errors and omissions of the FedRAMP PMO**

There are several errors the PMO has made in interpretation, the examination of incorrect documentation, and not following their own procedural steps when issues arise. We have also alerted the FedRAMP PMO about significant errors in their own published templates. Specifically, we alerted the PMO that the SAR template has a whole section for the documentation of database scans and false positive scans duplicated. This document version is 6/6/2017 meaning that the PMO has allowed a defective template used by 3PAO's for hundreds of security audits for five (5) years and counting.

We additionally alerted the FedRAMP PMO that again, their SAR-AA-FedRAMP-Moderate-Security-Test-Case-Procedures spreadsheet has many formula errors creating calculation mistakes that many not be known to the 3PAO using it. Again, circa 6/6/2017 means that the PMO has again allowed a defective template to be used by 3PAO's for hundreds of security audits for five (5) years and counting.

Who holds the PMO accountable for their own errors and omissions? The audacity of the FedRAMP PMO to issue citations to 3PAOs for minor typographical errors. Why is the PMO

allowed to Revoke any 3PAO's accreditation without peer review by an independent committee? This is a serious abuse of power with no apparent expedient remedy for those parties affected.

### **Let's not forget the VA**

Our security package was provided to the VA on behalf of the CSP known as Somnoware in March 2020. The VA's FedRAMP team examines all of the evidence and documentation for completeness, accuracy, and understanding of the CSP's risk profile. This is done to satisfy the agency's FedRAMP security requirements before they issue a provisional ATO. They issued that P-ATO on or about August 2020.

The FedRAMP PMO first provided a review of the Somnoware package in February 2021, a full year after our 3PAO testing was completed. The PMO identified areas of our documentation that was still blank, meaning incomplete.

While we do take responsibility for our errors and have been diligent in retracing our steps made the year prior, it did open the door for William Hamilton to resume his focus on us as judge, jury, and executioner.

We did have a false sense of security due to the VA's enthusiasm of our 3PAO work and support. They even wrote the FedRAMP PMO a support letter on our behalf when this In-Remediation status first arose.

As a USAF Desert Storm service veteran, our co-founder, a US Army veteran and 36 year government servicemember with the Department of the Army, we both love the VA. It upsets us to hold the VA culpable, but the VA's FedRAMP AO office was approved by the FedRAMP PMO to do this work.

Had the VA's FedRAMP team alerted us to any incomplete documentation, we would have expedited the corrective actions and none of this nightmare unfolding would have happened.

### **Beyond FedRAMP**

At a time when our nation is under attack, hacked, and being held for ransom, the government's answer is to increase bureaucracy and impose hurdles for those of us on the front lines? In the United States, there are around 879,000 cybersecurity professionals in the workforce and an unfilled need for another 359,000 workers. Expelling us from providing cybersecurity services to the Federal and State Government is the exact opposite of what needs to be done.

As a FedRAMP 3PAO, we are an extension of the government using our expertise and training to keep our systems secure. There has been no complaint about the quality of the evidence we collected, nor the methods we have used, only complaints about a handful of documentation "inconsistencies". The subjective nature of analyzing unique evidence and documentation conducted by unique people with specialized skillsets are that everything comes down to a judgement call.

I'm no stranger to working with the government with a history of supporting cybersecurity and consumer fraud cases with the FTC, SEC, and FBI as a whistleblower. I personally have between my USAF service in B52 flight line electronics, credentials such as eJD, MBA, C | CISO, CISSP, CRISC, CISA, CGRCA, QSA, CMBA, CISM, CGRCP, CCE, ISSA Hall of Fame, an industry experience spanning 34 years, extensive expertise making me eminently qualified to conduct

and lead my team providing FedRAMP 3PAO services to critical businesses the Federal and State Government desperately needs.

Yes, we did make some documentation errors on our first SAR, however, our testing was proficient, evidence gathering solid, and responsiveness to the client, VA, and PMO excellent. We identified a gap in our internal quality assurance process which has been corrected and implemented. The A2LA will evaluate its effectiveness during our annual accreditation review.

To add insult to injury, we will lose our ability to operate within the StateRAMP program. Arizona is the leading state in that new compliance program, and we are the only Arizona-based 3PAO. Our estimated revenues from the StateRAMP program alone is more than \$52 million which is transformational for my small veteran owned business. To support this growth, we anticipate in hiring 300 new full time, highly compensated employees during the next twenty-four (24) months.

This 3PAO Revocation will most likely cause our bankruptcy just due to the collateral damage by current FedRAMP customers seeking refunds, contract terminations, and possibly litigation threats to us. We will be forced to terminate current employees just to survive, if at all.

The Somnoware CEO is concerned that he is going to lose his job. They will have their VA contract cancelled. The CSP will probably sue us now. We have several active contracts with CSPs that will also cause contractual consternation and some type of refunds or litigation.

As a tax paying citizen, I normally think that public servants would actually be interested in supporting the public rather than destroying livelihoods, careers, reputations, and the American dream. I look forward to the President's recent order to fix the FedRAMP program. It cannot happen soon enough! Unfortunately for me, my family, and my employees, and my customers, this will take too long to save us from this egregious act of reprisal by the FedRAMP PMO.

We would appreciate your assistance with resolving our problem with the GSA FedRAMP PMO program that threatens our Arizona-based, veteran-owned, small business, by eliminating our ability to provide cybersecurity services to the Federal and State government.

Again, to summarize, the nature of this complaint and appeal to the GSA OIG is simple. There are four distinct grievances we have with a lack of due process, lack of impartiality, lack of accountability, and violations of established antitrust laws by the FedRAMP PMO. We need our FedRAMP 3PAO status reinstated and this career bureaucrat who is harassing us named in our complaint held accountable.

Thank you,



Michael D. Peters  
eJD, MBA, C | CISO, CISSP, CRISC, CISA, CGRCA, QSA, CMBA, CISM, CGRCP, CCE,  
ISSA Hall of Fame  
CEO Lazarus Alliance, Inc. - Proactive Cyber Security®  
M: 1-762-822-4174 | O: 1-888-896-7580 x20

CC: The Honorable Doug Ducey  
Arizona Governor  
1700 West Washington Street  
Phoenix, AZ, 85007

The Honorable Mark Kelly  
Arizona Senator  
Hart Senate Office Building  
Suite 516  
Washington, DC 20510

The Honorable David Schweikert  
Arizona Congressman  
304 Cannon House Office Building  
Washington, DC 20515

The Honorable Kyrsten Sinema  
Arizona Senator  
317 Hart Senate Office Building  
Washington, DC 20510

The Honorable Michelle Ugenti-Rita  
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Kirby Richards - H1EA &lt;kirby.richards@gsa.gov&gt;

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**Re: Hotline Case H21H00092 Referral - Resoose Required**

1 message

**Fraudnet@gsaig.gov** <Fraudnet@gsaig.gov>

Mon, Jun 28, 2021 at 10:23 AM

To: Kirby Richards - H1EA &lt;kirby.richards@gsa.gov&gt;

Cc: GSA-OIG Fraudnet &lt;Fraudnet@gsaig.gov&gt;, HL Workflow Referral &lt;HL-referral@gsa.gov&gt;

Hi Kirby,

We require a response to this hotline.

When notifying us of the disposition of this matter, please respond to [Fraudnet@gsaig.gov](mailto:Fraudnet@gsaig.gov) and reference **Hotline Complaint Number H21H00092** in the subject line. We request that you provide us with a response no later than **July 12, 2021**.

Thank you,

Hotline Division  
Office of Inspector General  
U.S. General Services Administration

WARNING: This email and any attachments may contain legally privileged or sensitive information. The information is intended solely for the use of the individual or entity to whom it is addressed. If you are not the intended recipient, you are hereby notified that any unauthorized use, dissemination, distribution, or reproduction, or taking any action in reliance on the contents of this transmission, is strictly prohibited. If you received this transmission in error, please notify the sender and delete the message and any attachments.

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From: "Kirby Richards - H1EA" <kirby.richards@gsa.gov>  
To: "GSA-OIG Fraudnet" <Fraudnet@gsaig.gov>  
Cc: "HL Workflow Referral" <HL-referral@gsa.gov>  
Date: 06/14/2021 10:42 AM  
Subject: Re: Hotline Case H21H00092 Referral - FYI

---

Received, thank you.

---

[U.S. General Services Administration](#)

Kirby Richards  
Writer-Editor  
Executive Secretariat  
Office of Administrative Services  
1800 F Street NW  
Washington, DC 20405  
Office: (202) 501-0346  
Mobile: (b) (6)  
E-mail: [kirby.richards@gsa.gov](mailto:kirby.richards@gsa.gov)  
[executive-secretariat@gsa.gov](mailto:executive-secretariat@gsa.gov)  
[CDT Tip Sheets](#)

On Fri, Jun 11, 2021 at 2:56 PM Fraudnet via HL Workflow Referral <[hl-referral@gsa.gov](mailto:hl-referral@gsa.gov)> wrote:  
**Via Electronic Mail**

The General Services Administration (GSA) Office of Inspector General (OIG) Fraud Hotline Office received the

following complaint. We are referring this matter to you for your review and whatever action you deem appropriate. A response to us is not necessary. We understand that this complaint is being handled under other avenues, but our office wanted to make you aware of the complaint that we received.

Thank you,

Hotline Division  
Office of Inspector General  
U.S. General Services Administration

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----- Forwarded by Deanna N. Guzeh/JII/CO/GSAIG on 06/11/2021 2:54 PM -----

From: "GSA Office of Inspector General" <[OIG\\_PublicAffairs@gsaig.gov](mailto:OIG_PublicAffairs@gsaig.gov)>  
To: [fraudnet@gsaig.gov](mailto:fraudnet@gsaig.gov)  
Date: 06/05/2021 12:07 PM  
Subject: Hotline form submission from website  
Sent by: [OIG\\_PublicAffairs@gsaig.gov](mailto:OIG_PublicAffairs@gsaig.gov)

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Submitted on Saturday, June 5, 2021 - 12:07  
Submitted by anonymous user: 68.106.39.124  
Submitted values are:

How do you wish to be identified? No restriction  
Email (optional): [michael.peters@lazarusalliance.com](mailto:michael.peters@lazarusalliance.com)  
Name (optional): Michael Peters  
Street Address (optional): 27743 N. 70TH STREET,, SUITE 100,  
State (optional): Arizona  
Zip Code (optional): 85266  
City (optional): SCOTTSDALE  
Describe your complaint by answering the following questions: Who did it? Include names, addresses, and phone numbers of individuals or GSA contractors involved.:  
John Hamilton  
FedRAMP Program Manager of Security Operations  
Technology Transformation Service GSA  
(b) (6) [william.hamilton@gsa.gov](mailto:william.hamilton@gsa.gov)

Brian H. Conrad  
(Acting) FedRAMP Director  
Program Manager for Cybersecurity  
[brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)  
Phone (b) (6)

When did it happen? Between February - June 2021.  
Which GSA program or office was involved? : FedRAMP  
What did they do that was wrong and how did they do it? Please describe the behavior or event in as much detail as possible.:  
We have been a FedRAMP 3PAO in good standing for 5 years. We are also a small veteran-owned business.

We have been denied due process according to the 3PAO Obligations and Performance Standards, Version 3.1, May 18, 2021 and have had our accreditation revoked which is extremely damaging to our business and active FedRAMP customers.

Additionally, because of a previous complaint concerning a similar issue with the PMO not following procedures, we believe this is a clear case of reprisal on the part of William

Hamilton. He has been allowed to make decisions about corrective actions to address PMO documentation concerns (we do disagree with many subjective opinions and errors in the analysis). We have been denied the ability to dispute or discuss the verdict and have been removed from the FedRAMP 3PAO program.

Given the gravity of revocation, with no apparent peer review or oversight into the process, we also believe this is an abuse of power and authority.

Do you have first hand knowledge of the event? : Yes

Where can we obtain evidence of this event? : The PMO office documentation and our company records.

Who else knows about the event and how do they know? : Our customers are aware of this as it has caused certification problems, financial problems, 3PAO problems. Our team and the PMO.

There is a very clear documentation trail to show that procedures were not followed, that due process was not provided, that reprisal occurred, and abuse of position has occurred.

Please provide us with your telephone number and any special instructions about contacting you during the day or names and telephone numbers for anyone else who can corroborate the allegations.: (b) (6)

The results of this submission may be viewed at:

<https://www.gsaig.gov/node/4/submission/3670>

----- Forwarded by Deanna N. Guzeh/JII/CO/GSAIG on 06/11/2021 2:54 PM -----

From: "Michael Peters" <[michael.peters@lazarusalliance.com](mailto:michael.peters@lazarusalliance.com)>

To: [fraudnet@gsaig.gov](mailto:fraudnet@gsaig.gov), (b) (6) @azleg.gov, (b) (6) @azleg.gov, (b) (6) @kelly.senate.gov, [Katy.Kale@gsa.gov](mailto:Katy.Kale@gsa.gov), [Carol.Ochoa@gsa.gov](mailto:Carol.Ochoa@gsa.gov), (b) (6) @az.gov, "Tee Rowe" (b) (6) @americassbdc.org>

Date: 06/06/2021 03:56 PM

Subject: Re: FedRAMP 3PAO Revocation Notice: Lazarus Alliance

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To whom it may concern,

We would appreciate your assistance with resolving a problem with the GSA FedRAMP PMO program that threatens our Arizona-based, veteran-owned, small business, by eliminating our ability to provide cybersecurity services to the Federal and State government.

The nature of this complaint and appeal to the GSA OIG is simple. There are four distinct grievances we have with a lack of due process, lack of impartiality, lack of accountability, and violations of established antitrust laws by the FedRAMP PMO.

We would be grateful if you, as an interested party, could assist us with our GSA OIG whistleblower complaint. We need our FedRAMP 3PAO status reinstated, the FedRAMP CSP Somnoware package fairly examined, and this career bureaucrat who is harassing us named in our complaint held accountable.

For additional context, I have attached and mailed a detailed letter provided to everyone.

Best regards,

**Michael D. Peters**

eJD, MBA, C|CISO, CISSP, CRISC, CISA, CGRCA,  
QSA, CMBA, CISM, CGRCP, CCE, ISSA Hall of Fame

**CEO Lazarus Alliance, Inc.** - Proactive Cyber Security®

M: (b) (6) | O: (b) (6) | Schedule a [25-Minute](#)  
or a [55-Minute](#) consultation with me.

**Lazarus Alliance is a proud veteran-owned business.**

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any computer.

On Thu, Jun 3, 2021 at 1:11 PM John Hamilton <[william.hamilton@gsa.gov](mailto:william.hamilton@gsa.gov)> wrote:

Michael -

Please be advised that Lazarus Alliance's FedRAMP recognition status has been formally revoked and your organization's FedRAMP Marketplace page has been removed. This is a result of Lazarus Alliance's inability to provide a sufficient corrective action plan (CAP) response to remediate the repeated security assessment report (SAR) (i.e., test case workbook and penetration test report) accuracy and completeness concerns, identified by both the FedRAMP PMO and the Department of Veterans Affairs (VA), for the Somnoware initial authorization assessment.

Specifically, Lazarus Alliance's CAP response identified a failure in the organization's quality management process for each of the SAR issue areas identified, and implemented a corrective action to require two key members of the Lazarus Alliance leadership team, with the requisite technical ability, to examine the deliverables prior to authorizing them to be provided to their customer, agency, or other authority. However, the formal complaint letter sent by the FedRAMP PMO identified more than documentation quality concerns. The formal complaint letter also identified technical competency as an area of concern that was not adequately addressed in the Lazarus Alliance CAP response. The issue of technical competency

was further highlighted by Lazarus Alliance's resubmitted Somnoware SAR deliverables (as part of the CAP response), which demonstrated that the 3PAO's corrective action of implementing a second quality reviewer was not sufficient to address the FedRAMP PMO's concerns. The resubmitted SAR deliverables (i.e., the test case workbook and penetration test report) did not illustrate adequate technical competence of the assessors. The key concern areas are noted in the attached letter.

In accordance with the [FedRAMP 3PAO Obligations and Performance Standards](#) document, Lazarus Alliance's "Revoked" status indicates the organization is not authorized to provide FedRAMP assessment services for CSPs pursuing or maintaining FedRAMP authorizations. All public facing marketing materials indicating Lazarus Alliance's FedRAMP recognition must also be removed to be in compliance with [FedRAMP's branding guidelines](#).

To regain FedRAMP recognition status, Lazarus Alliance is required to re-enter the qualification process through the A2LA Cybersecurity Inspection Body Program.

If you have any additional questions, please email [info@fedramp.gov](mailto:info@fedramp.gov).

Thank You -

--

John Hamilton

FedRAMP Program Manager of Security Operations

Technology Transformation Service | GSA

(b) (6) | [william.hamilton@gsa.gov](mailto:william.hamilton@gsa.gov)

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HL-Referral Team

Executive Secretariat Division

(b) (6)

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You received this message because you are subscribed to the Google Groups "HL Workflow Referral" group.

To unsubscribe from this group and stop receiving emails from it, send an email to [hl-referral+unsubscribe@gsa.gov](mailto:hl-referral+unsubscribe@gsa.gov).

To view this discussion on the web visit (b) (5)



June 6, 2021

To: Katy Kale  
Acting Administrator  
General Services Administration

Carol Ochoa  
Inspector General  
General Services Administration

From: Michael Peters  
CEO  
Lazarus Alliance, Inc.

Re: Lazarus Alliance, Inc. FedRAMP Recognition Revocation Letter

To whom it may concern,

Lazarus Alliance, Inc. has been a FedRAMP 3PAO in good standing for 5 years. We are a small Arizona-based, veteran-owned, service business with twelve full time employees and sixteen part time employees all of which are US citizens. We received on 6/3/2021 from the FedRAMP PMO the Lazarus Alliance, Inc. FedRAMP Recognition Revocation Letter.

The nature of this complaint and appeal is simple. There are four distinct grievances we have with lack of due process, lack of impartiality, lack of accountability, and violations of established antitrust laws by the FedRAMP PMO.

We have been denied due process according to the FedRAMP program's own 3PAO Obligations and Performance Standards, Version 3.1, May 18, 2021 and have had our accreditation revoked. We have been denied the ability to dispute, appeal, or discuss the verdict and have been summarily removed from the FedRAMP 3PAO program leaving no trace of our good work.

Because of a previous, and current GSA OIG complaints concerning similar issues with the FedRAMP PMO, we believe this is a clear case of reprisal and retaliation on the part of FedRAMP Program Manager, William Hamilton. Instead of recusing himself due to being named in both GSA OIG whistleblower complaints, he has been allowed to make decisions about corrective actions to address PMO documentation "concerns".

While there are some issues with the completeness of some documentation, we do vehemently disagree with most of the subjective opinions, errors in the analysis method, and unqualified technical opinion provided by the PMO. There are several errors the PMO has made in interpretation, the examination of incorrect documentation, and circumventing their own procedural steps when issues arise. The circular logic applied to us places us into an insurmountable condition whereby the only outcome is our revocation and destruction of our business.

Who holds the PMO accountable for their errors, omissions, and mistakes? Why is the PMO allowed to Revoke any 3PAO's accreditation without peer review by an independent committee? This is a serious abuse of power with no apparent expedient remedy for those parties affected.

It is a well socialized fact among our fellow FedRAMP 3PAOs that the PMO wishes to reduce the number of 3PAO companies. One tactic is to unfairly scrutinize documentation with is unique and subjective leaving it ripe for performance complaints by the PMO. Additionally, the FedRAMP Marketplace scoreboard unfairly favors the large firms over the small. This practice we believe violate the antitrust laws within the US supply chain. It is discriminatory by design.

This action completely destroyed a vital part of our growing business and has put us at serious risk of bankruptcy due to the number of current FedRAMP customers we have contracts with who will now be required to seek assistance somewhere else. Any financial impacts and market opportunities we and our customers will now lose create litigation threats, reputation threats, and solvency threats to our business.

Under these conditions alone, our FedRAMP 3PAO revocation should be reversed, an independent evaluation of our 3PAO submission on the part of the CSP Somnoware should be all be expedited to mitigate any continued damage it is already causing multiple American businesses providing innovative and necessary services and solutions to the Federal government, and William Hamilton and Brian Conrad should be help accountable.

## **Additional Information**

### **Failure to follow established due process procedures**

From a due-process standpoint, we were issued a formal complaint letter on 5/13/2021 titled Formal Complaint Letter: Lazarus Alliance, Inc. – Somnoware Security Assessment Report Accuracy and Completeness Concerns. The three key issues identified in that letter were:

- Testing Accuracy and Completeness: General SAR Concerns
- Testing Accuracy and Completeness: Test Case Workbook
- Testing Accuracy and Completeness: Penetration Test Report

Referencing the 3PAO Obligations and Performance Standards, Version 3.1, May 18, 2021 has three distinct phases which are:

1. Consultation
2. In-Remediation
3. Revoked

The definition of the Consultation phase is "If a 3PAO has minor deficiencies, such as incomplete testing, poor document quality, or inaccurate testing associated with FedRAMP's 3PAO performance standards."

The Consultation phase stipulates "The 3PAO must develop and submit an internal Corrective Action Plan (CAP) to info@fedramp.gov within 10 business days of the meeting."

Lazarus Alliance was never placed into a Consultation status denying us the ability to remediate any concerns the PMO may have.

We were however immediately placed into an In-Remediation status which by definition is "If a 3PAO has deficiencies, such as repeated performance issues, submission of conditional CSP authorization recommendations, or fails to complete the internal CAP as part of the "Consultation" status corrective action requirements."

Again, Lazarus Alliance was never placed into a Consultation status denying us the ability to remediate any concerns the PMO may have, and instead placed into an In-Remediation status.

We participated in a meeting with the PMO to discuss the formal complaint letter and seek guidance to correct the issues identified by the PMO. The guidance we received was very generic. We asked for more detailed guidance and were referred to the SAR training module which we review each year. This course is a very brief 30 minute training program and covers just the fundamentals of completing the SAR.

The Somnoware SAR is our very first SAR submission to the FedRAMP PMO. We have been a 3PAO for five years. Each year we are examined by the A2LA to confirm the quality of our work product and client records. There have been no instances of a SAR being examined since this is our first.

Search for SAR on the FedRAMP.gov site produces 4 results, all of which provide no guidance whatsoever on completing the SAR report, or the test case worksheet. The SAR-AA-FedRAMP-Moderate-Security-Test-Case-Procedures spreadsheet alone has over 24,240 data points that we as a 3PAO must evaluate and document.

The In-Remediation phase stipulates "The 3PAO must develop and submit an internal Corrective Action Plan (CAP) to info@fedramp.gov within 10 business days of the meeting." We submitted our three CAPs, training records for the entire team, artifacts of updates to our quality manual, project management system, and training programs. We also submitted the corrections to the Somnoware Security Assessment Report (SAR), Security Assessment Test Case Workbook, and Penetration Test Report. All of this work was completed within the 10 day deadline.

We were not afforded a meeting with the PMO to receive guidance or feedback on the Corrective Action Plan we submitted, but instead received the Lazarus Alliance, Inc. FedRAMP Recognition Revocation Letter on 6/3/2021.

In that letter there are a handful of "several results" or "in many cases" comparing our 5/11/2021 submission to our 5/19/2021 submission of documentation. The comments in this letter are comparing things from prior submissions which from an analysis standpoint of "what is the CSP's" current risk posture, is just plain illogical, or is an attempt to make a case to intentionally revoke our accreditation by building a circular argument. I am completely convinced that regardless of how well we crafted our documentation, we will still be in the same spot because we are being evaluated and judged by William Hamilton.

### **The first GSA OIG complaint during the Mathew Goodrich tenure as FedRAMP Director**

During our five years as a 3PAO, we have grown increasingly wary of interactions with the FedRAMP PMO. Every single encounter with John Hamilton causes us to endure his condescending, antagonizing, kangaroo court style of heavy-handedness. We have numerous recordings and witnesses of his bombastic unprofessional demeanor.

Our very first RAR caused us to go into a In-Remediation status due to documentation inconsistencies, again bypassing the Consultation phase of procedural due process. John berated us in front of our client which was appalling and damaging to our reputation and

credibility with our customer. Additionally, the former FedRAMP Director Mathew Goodrich piled on the unprofessional treatment of me and my team. We then filed our first GSA OIG complaint concerning the abuse of position, errors and omissions in the PMO's analysis of our work and circumventing the due process procedures published.

The reality in this case was that the PMO had examined the wrong documentation. Upon reviewing the correct documentation, the RAR was approved and our In-Remediation status removed. Do you think we ever received an apology for that drama? No, we did not. That customer chose not to pursue their FedRAMP certification due to multiple negative interactions they had themselves with the PMO. They are, however, still our customer which is a testimony to our performance.

### **The quiet years during the Ashley Mahan tenure as FedRAMP Director**

We did enjoy two years when Ashley Mahon was the FedRAMP Director. During her tenure, we successfully completed another RAR and a Tailored certification without any trouble, remediation, or drama. Small potatoes I know compared to the PMO favorites on the Marketplace Scoreboard. That Scoreboard favors the few big firms and discriminates against the many small companies like mine. This practice we believe violate the antitrust laws for the supply chain vertical arrangements.

### **The second and third GSA OIG complaints during the Brian Conrad tenure as FedRAMP Director**

Now Brian Conrad is the FedRAMP Director and we again are experiencing significant problems appeasing the PMO. No offense meant to Brian whom I genuinely believe is a good guy. Point in case that during our 5/13/2021 call with the PMO, I was encouraged when he told me that "You are not alone. All 3PAOs go through this." My only grievance is that it seems that John Hamilton is again off his leash and he's back to biting everyone in the neighborhood. Who exactly is in charge there at the PMO; Brian Conrad, or John Hamilton? Brian Conrad is either complacent or an active participant.

I've repeatedly expressed my trepidation to Brian and Ashley about Hamilton's intentions towards us. It is our belief that the PMO wishes to reduce the number of FedRAMP 3PAOs. During our initial accreditation, our assessor told me this was known but not advertised. During the past five years this same specific issue has been shared with me by several other 3PAOs.

We receive a complaint letter and 10 days to provide a response that is acceptable to the PMO. The complaint is very generic, leaving a lot of interpretation to the respondent. We always ask for guidance but receiving any meaningful or timely guidance is almost non-existent.

For example, the following complaint in our Corrective Action Report was:

"Inconsistencies in the test case workbook made it difficult to determine the security posture of the service, and specifically, where there were findings versus where no findings were indicated. Several of the test case workbook assessment results were edited post assessment, and some of these edits raise concern about the integrity of the assessment."

This SAR-AA-FedRAMP-Moderate-Security-Test-Case-Procedures spreadsheet as I mentioned above has over 24,240 data points that we as a 3PAO must evaluate and document. Since we are revising the report, of course we were required to edit the spreadsheet. So, complaining that "Several of the test case workbook assessment results were edited post assessment, and some of these edits raise concern about the integrity of the assessment." resembles the classic definition of circular reasoning which is a logical fallacy in which the reasoner begins with what they are

trying to end with. John Hamilton wishes Lazarus Alliance out of the FedRAMP 3PAO program, so John Hamilton will decide what he wants to see.

Is it possible that there may be some "inconsistencies" in a manual spreadsheet containing 24,240 data points? As much as we try and as careful as we are, it is certainly plausible. I even freely admit that our first submission was incomplete, for which we regret the oversight. Again, the PMO provides no examples of the SAR to 3PAOs. You do your best to interpret the requirement, ask colleagues who may have experience, and even obtain examples by successful competitors if you have a current client willing to share.

Let me remind everyone that our testing was completed over fourteen months prior to being reviewed by the FedRAMP PMO. The review by the PMO is of stale evidence. The Penetration Test Report is about findings that no longer exist. So much of this body of evidence is about a state of time far in the past where cybersecurity is concerned. This egregious delay in the certification process is nothing but a barrier to innovation and progress.

Another complaint states that "The scan results were presented as both the penetration test and as the scan results in the SAR (as before). Since it appears only unauthenticated scans were performed, it is unclear if these scans identified all vulnerabilities in the system." This is completely incorrect. We clearly document the authenticated testing, and in fact the evidence report files even include "Authenticated" in the filename which is listed in the report.

When considering the qualifications of each member of the PMO team, it is clear no one possesses the skills, credentials or training to conduct a penetration test, much less be an authority on interpreting a test result. This is a skill possessed by me, my employees and fellow 3PAOs which we are all accredited annually for by the A2LA. If the PMO has a question or concern about a test result, the professional approach would be to simply ask the assessor instead of the draconian "In-Remediation" or "Revoked" approach taken by the PMO.

It is also quite important to point out that the FedRAMP PMO does not provide a template for the Penetration Test Report. So again, we are left to interpret the requirement, ask colleagues who may have experience, and even obtain examples by successful competitors if you have a current client willing to share.

### **The errors and omissions of the FedRAMP PMO**

There are several errors the PMO has made in interpretation, the examination of incorrect documentation, and not following their own procedural steps when issues arise. We have also alerted the FedRAMP PMO about significant errors in their own published templates. Specifically, we alerted the PMO that the SAR template has a whole section for the documentation of database scans and false positive scans duplicated. This document version is 6/6/2017 meaning that the PMO has allowed a defective template used by 3PAO's for hundreds of security audits for five (5) years and counting.

We additionally alerted the FedRAMP PMO that again, their SAR-AA-FedRAMP-Moderate-Security-Test-Case-Procedures spreadsheet has many formula errors creating calculation mistakes that many not be known to the 3PAO using it. Again, circa 6/6/2017 means that the PMO has again allowed a defective template to be used by 3PAO's for hundreds of security audits for five (5) years and counting.

Who holds the PMO accountable for their own errors and omissions? The audacity of the FedRAMP PMO to issue citations to 3PAOs for minor typographical errors. Why is the PMO

allowed to Revoke any 3PAO's accreditation without peer review by an independent committee? This is a serious abuse of power with no apparent expedient remedy for those parties affected.

### **Let's not forget the VA**

Our security package was provided to the VA on behalf of the CSP known as Somnoware in March 2020. The VA's FedRAMP team examines all of the evidence and documentation for completeness, accuracy, and understanding of the CSP's risk profile. This is done to satisfy the agency's FedRAMP security requirements before they issue a provisional ATO. They issued that P-ATO on or about August 2020.

The FedRAMP PMO first provided a review of the Somnoware package in February 2021, a full year after our 3PAO testing was completed. The PMO identified areas of our documentation that was still blank, meaning incomplete.

While we do take responsibility for our errors and have been diligent in retracing our steps made the year prior, it did open the door for William Hamilton to resume his focus on us as judge, jury, and executioner.

We did have a false sense of security due to the VA's enthusiasm of our 3PAO work and support. They even wrote the FedRAMP PMO a support letter on our behalf when this In-Remediation status first arose.

As a USAF Desert Storm service veteran, our co-founder, a US Army veteran and 36 year government servicemember with the Department of the Army, we both love the VA. It upsets us to hold the VA culpable, but the VA's FedRAMP AO office was approved by the FedRAMP PMO to do this work.

Had the VA's FedRAMP team alerted us to any incomplete documentation, we would have expedited the corrective actions and none of this nightmare unfolding would have happened.

### **Beyond FedRAMP**

At a time when our nation is under attack, hacked, and being held for ransom, the government's answer is to increase bureaucracy and impose hurdles for those of us on the front lines? In the United States, there are around 879,000 cybersecurity professionals in the workforce and an unfilled need for another 359,000 workers. Expelling us from providing cybersecurity services to the Federal and State Government is the exact opposite of what needs to be done.

As a FedRAMP 3PAO, we are an extension of the government using our expertise and training to keep our systems secure. There has been no complaint about the quality of the evidence we collected, nor the methods we have used, only complaints about a handful of documentation "inconsistencies". The subjective nature of analyzing unique evidence and documentation conducted by unique people with specialized skillsets are that everything comes down to a judgement call.

I'm no stranger to working with the government with a history of supporting cybersecurity and consumer fraud cases with the FTC, SEC, and FBI as a whistleblower. I personally have between my USAF service in B52 flight line electronics, credentials such as eJD, MBA, C | CISO, CISSP, CRISC, CISA, CGRCA, QSA, CMBA, CISM, CGRCP, CCE, ISSA Hall of Fame, an industry experience spanning 34 years, extensive expertise making me eminently qualified to conduct

and lead my team providing FedRAMP 3PAO services to critical businesses the Federal and State Government desperately needs.

Yes, we did make some documentation errors on our first SAR, however, our testing was proficient, evidence gathering solid, and responsiveness to the client, VA, and PMO excellent. We identified a gap in our internal quality assurance process which has been corrected and implemented. The A2LA will evaluate its effectiveness during our annual accreditation review.

To add insult to injury, we will lose our ability to operate within the StateRAMP program. Arizona is the leading state in that new compliance program, and we are the only Arizona-based 3PAO. Our estimated revenues from the StateRAMP program alone is more than \$52 million which is transformational for my small veteran owned business. To support this growth, we anticipate in hiring 300 new full time, highly compensated employees during the next twenty-four (24) months.

This 3PAO Revocation will most likely cause our bankruptcy just due to the collateral damage by current FedRAMP customers seeking refunds, contract terminations, and possibly litigation threats to us. We will be forced to terminate current employees just to survive, if at all.

The Somnoware CEO is concerned that he is going to lose his job. They will have their VA contract cancelled. The CSP will probably sue us now. We have several active contracts with CSPs that will also cause contractual consternation and some type of refunds or litigation.

As a tax paying citizen, I normally think that public servants would actually be interested in supporting the public rather than destroying livelihoods, careers, reputations, and the American dream. I look forward to the President's recent order to fix the FedRAMP program. It cannot happen soon enough! Unfortunately for me, my family, and my employees, and my customers, this will take too long to save us from this egregious act of reprisal by the FedRAMP PMO.

We would appreciate your assistance with resolving our problem with the GSA FedRAMP PMO program that threatens our Arizona-based, veteran-owned, small business, by eliminating our ability to provide cybersecurity services to the Federal and State government.

Again, to summarize, the nature of this complaint and appeal to the GSA OIG is simple. There are four distinct grievances we have with a lack of due process, lack of impartiality, lack of accountability, and violations of established antitrust laws by the FedRAMP PMO. We need our FedRAMP 3PAO status reinstated and this career bureaucrat who is harassing us named in our complaint held accountable.

Thank you,

(b) (6)



eJD, MBA, C | CISO, CISSP, CRISC, CISA, CGRCA, QSA, CMBA, CISM, CGRCP, CCE,  
ISSA Hall of Fame  
CEO Lazarus Alliance, Inc. - Proactive Cyber Security®  
M: (b) (6) | O: (b) (6)

CC: The Honorable Doug Ducey  
Arizona Governor  
1700 West Washington Street  
Phoenix, AZ, 85007

The Honorable Mark Kelly  
Arizona Senator  
Hart Senate Office Building  
Suite 516  
Washington, DC 20510

The Honorable David Schweikert  
Arizona Congressman  
304 Cannon House Office Building  
Washington, DC 20515

The Honorable Kyrsten Sinema  
Arizona Senator  
317 Hart Senate Office Building  
Washington, DC 20510

The Honorable Michelle Ugenti-Rita  
Arizona Representative  
Office of Representative Michelle Ugenti-Rita  
1700 West Washington,  
Phoenix, Arizona, 85007-2844

(b) (6)  
CEO  
America's SBDC  
8990 Burke Lake Road, 2nd Floor  
Burke, VA 22015

Galbut Beabeau, P.C  
Keith R. Galbut  
6720 N. Scottsdale Road,  
Suite 305,  
Scottsdale, Arizona 85253

**Katy Kale**  
**Acting Administrator**  
**General Services Administration**  
**1800 F Street, NW**  
**Washington, DC 20405**

**Carol Ochoa**  
**Inspector General**  
**General Services Administration**  
**Office of Inspector General (OIG)**  
**1800 F Street, NW**  
**Washington, DC 20405**



Neichole Linhorst - Q20B &lt;neichole.linhorst@gsa.gov&gt;

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**INFORMAL HOTLINE: CC044616 \_Hotline FYI: Due July 09, 2021**

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**Tiara Cobbin - Q0A** <tiara.cobbin@gsa.gov>

Mon, Jun 28, 2021 at 2:48 PM

To: Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;

Cc: Cristina Brydges - Q2 &lt;cristina.brydges@gsa.gov&gt;, Ashley Mahan - QQC &lt;ashley.mahan@gsa.gov&gt;, Elizabeth Blake - Q0A &lt;elizabeth.blake@gsa.gov&gt;, Nathaniel Clouser-Simerlink - QP0GB &lt;nathaniel.clouser-simerlink@gsa.gov&gt;, Neichole Linhorst - Q20B &lt;neichole.linhorst@gsa.gov&gt;

Good afternoon Cristina and Brian,

Today, the OIG sent a follow-up request for this hotline. They are requesting a formal response to the OIG for this matter. Please provide a formal response for Sonny's signature by **COB on July 6th. I have also included the additional incoming document in a 6/28/21 folder linked in the response folder.**

**If you have any further questions, please let me know.**

Regards,

Tiara Cobbin

Program Analyst

Office of the FAS Commissioner

Federal Acquisition Service

U.S. General Services Administration

(b) (6)

tiara.cobbin@gsa.gov

On Tue, Jun 22, 2021 at 4:58 PM Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt; wrote:

Thx Cristina,

We are tracking this and will start putting the response together.

R/

Brian

On Tue, Jun 22, 2021 at 4:00 PM Cristina Brydges - Q2 &lt;cristina.brydges@gsa.gov&gt; wrote:

+ Ashley and Brian

Thanks, Tiara.

Correct, we did already receive the letter from A-Suite/Sonny. We will put together a response/briefing for FAS/A-Suite (b) (5)

On Tue, Jun 22, 2021 at 3:53 PM Tiara Cobbin - Q0A <[tiara.cobbin@gsa.gov](mailto:tiara.cobbin@gsa.gov)> wrote:

Good afternoon:

I am forwarding this OIG Hotline referral concerning a complaint regarding FedRamp. This matter is apparently being handled through other channels, as well.

No official response is required to the OIG, but because the complaint includes a memo to the Acting Administrator, Exec Sec plans to share FAS's final findings with the A Suite. So please create an informal response on the uploaded template (The memo could be made out "to" Katy Kale or simply be for the file as we normally handle these.)

Please find within this [folder](#) the incoming materials.

Please respond by providing a memo for review by **COB, July 09, 2021**.

If you have any questions, please let me know.

Regards,

Tiara Cobbin  
Program Analyst  
Office of the FAS Commissioner  
Federal Acquisition Service  
U.S. General Services Administration

(b) (6)

[tiara.cobbin@gsa.gov](mailto:tiara.cobbin@gsa.gov)

--  
**Cristina Brydges**

**Chief of Staff**

**Technology Transformation Services**

<https://join.tts.gsa.gov/>

-----  
**Brian H. Conrad**

(Acting) **FedRAMP** Director

Program Manager for Cybersecurity

[brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)

Phone: (b) (6)



Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;

**Rationale for Laz... - @brian.conrad@gsa.gov Can you give m...**

2 messages

**Cristina Brydges - Q2 (Google Docs)** <comments-noreply@docs.google.com>

Fri, Jul 2, 2021 at 1:40 PM

Reply-To: Reply <d+AORGpRc2tGaf5OGfYkJ-BePpAeNRYLc7ScjG0DLsA\_ZG-yuaN7pHqMba4-LQCyns8946xAFWgpINqcaMW-7gNXqhevYbOKFESjsq2ntCIOXPy2mLLeZqLojGa6-Fhm5gVu-6OpuBgoWn@docs.google.com>

To: brian.conrad@gsa.gov

Cristina Brydges - Q2 mentioned you in a comment in the following document



Rationale for Lazarus Alliance FedRAMP Recognition Revocation\_070221

letter

Cristina Brydges - Q2 **New**[@brian.conrad@gsa.gov](mailto:@brian.conrad@gsa.gov)

Can you give me access to this letter please. I requested it earlier today - but I am not sure who the owner is - maybe they are out today. Thanks

[Open](#)

Google LLC, [1600 Amphitheatre Parkway, Mountain View, CA 94043, USA](#)

You have received this email because you are mentioned in this thread. [Change what Google Docs sends you.](#) You can reply to this email to reply to the discussion.

**Cristina Brydges - Q2 (Google Docs)** <comments-noreply@docs.google.com>

Tue, Jul 6, 2021 at 10:16 AM

Reply-To: Reply <d+AORGpReqLdogsCT\_zpRDtEg2wcbxl7Jvp-WjLXHlcean73pgD9oV7XGzKnZ2j7LEAKzpVTxUmYzdr8OTBKspvbBM-P3Fi86vFad6s6b7511\_EVfB1yLnBRIKHqNLPQXinWgN9gVCESyL@docs.google.com>

To: brian.conrad@gsa.gov

## Cristina Brydges - Q2 resolved a comment in the following document



Rationale for Lazarus Alliance FedRAMP Recognition Revocation\_070221

letter



Cristina Brydges - Q2

[@brian.conrad@gsa.gov](mailto:@brian.conrad@gsa.gov)

Can you give me access to this letter please. I requested it earlier today - but I am not sure who the owner is - maybe they are out today. Thanks



Cristina Brydges - Q2 New

*Marked as resolved*

[Open](#)

Google LLC, 1600 Amphitheatre Parkway, Mountain View, CA 94043, USA

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Google™



Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;

**Item shared with you: "H21H00092 Referral - Resoose Required.pdf"**

1 message

**Cristina Brydges - Q2 (via Google Drive)** <drive-shares-dm-noreply@google.com>

Wed, Jun 30, 2021 at 6:20 PM

Reply-To: Cristina Brydges - Q2 &lt;cristina.brydges@gsa.gov&gt;

To: brian.conrad@gsa.gov

**cristina.brydges@gsa.gov** shared an item

cristina.brydges@gsa.gov has shared the following item:

Here is the email from OIG



H21H00092 Referral - Resoose Required.pdf

Open

Google LLC, [1600 Amphitheatre Parkway, Mountain View, CA 94043, USA](#)

You have received this email because cristina.brydges@gsa.gov shared a file or folder located in Google Drive with you.

Google Workspace



Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;

---

**Informal Hotline: CC044616\_Hotline Briefing Meeting (Wed at 1pm)**2 messages

---

**Cristina Brydges - Q2** <cristina.brydges@gsa.gov>

Tue, Jul 6, 2021 at 1:17 PM

To: Wesley Lua - Q0A &lt;wesley.lua@gsa.gov&gt;, Elizabeth Blake - Q0A &lt;elizabeth.blake@gsa.gov&gt;

Cc: Ashley Mahan - QQC &lt;ashley.mahan@gsa.gov&gt;, Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;

Hi Liz and Wesley.

Please add the following documents to the meeting invitation.

[Briefing Deck](#)[OIG Response Letter](#)

Thank you - Cristina

--

**Cristina Brydges****Chief of Staff****Technology Transformation Services**<https://join.tts.gsa.gov/>

---

**Wesley Lua - Q0A** <wesley.lua@gsa.gov>

Tue, Jul 6, 2021 at 4:22 PM

To: Cristina Brydges - Q2 &lt;cristina.brydges@gsa.gov&gt;

Cc: Ashley Mahan - QQC &lt;ashley.mahan@gsa.gov&gt;, Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;, Elizabeth Blake - Q0A &lt;elizabeth.blake@gsa.gov&gt;

Hi Cristina,

Thank you for sharing the attachments for tomorrow's meeting. I'll make sure to add it to the invite shortly.

Best,  
Wesley

[Quoted text hidden]

--

**Wesley Lua** | Executive Assistant

Front Office of the Commissioner |

Federal Acquisition Service |

U.S. General Services Administration |

t: (b) (6) | [wesley.lua@gsa.gov](mailto:wesley.lua@gsa.gov)



Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;

**Hotline Memo Temp... - @brian.conrad@gsa.gov @william.hamilt...**

5 messages

**Cristina Brydges - Q2 (Google Docs)** <comments-noreply@docs.google.com>

Tue, Jul 6, 2021 at 10:55 AM

Reply-To: No Reply &lt;d+noreply@docs.google.com&gt;

To: brian.conrad@gsa.gov

Cristina Brydges - Q2 mentioned you in a comment in the following document

 Hotline Memo Template - informal (10).docx

This memorandum

Cristina Brydges - Q2 **New**[@brian.conrad@gsa.gov](#) [@william.hamilton@gsa.gov](#) [@ashley.mahan@gsa.gov](#)

I added this first paragraph per the template instructions - please review. Please input a PoC at the end of the document.

(b) (5)



Thanks

[Open](#)

Google LLC, 1600 Amphitheatre Parkway, Mountain View, CA 94043, USA

You have received this email because you are mentioned in this thread. [Change what Google Docs sends you](#). You cannot reply to this email. View [Hotline Memo Template - informal \(10\).docx](#) to reply.

**Ashley Mahan - QQC (Google Docs)** <comments-noreply@docs.google.com>

Tue, Jul 6, 2021 at 11:03 AM

Reply-To: No Reply &lt;d+noreply@docs.google.com&gt;

To: brian.conrad@gsa.gov



William Hamilton - QQC &lt;william.hamilton@gsa.gov&gt;

---

**Fwd: INFORMAL HOTLINE: CC044616 \_Hotline FYI: Due July 09, 2021**

---

**Brian Conrad - QQC** <brian.conrad@gsa.gov>  
To: William Hamilton - QQC <william.hamilton@gsa.gov>

Mon, Jun 28, 2021 at 4:16 PM

Heads up - the formal written response regarding Lazarus is requested to be done by 6 July- a day or two before the briefing deck is due.

R/  
Brian

-----  
**Brian H. Conrad**  
(Acting) **FedRAMP** Director  
Program Manager for Cybersecurity  
[brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)  
Phone: (b) (6)

----- Forwarded message -----

From: **Tiara Cobbin - Q0A** <[tiara.cobbin@gsa.gov](mailto:tiara.cobbin@gsa.gov)>  
Date: Mon, Jun 28, 2021 at 2:49 PM  
Subject: Re: INFORMAL HOTLINE: CC044616 \_Hotline FYI: Due July 09, 2021  
To: Brian Conrad - QQC <[brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)>  
Cc: Cristina Brydges - Q2 <[cristina.brydges@gsa.gov](mailto:cristina.brydges@gsa.gov)>, Ashley Mahan - QQC <[ashley.mahan@gsa.gov](mailto:ashley.mahan@gsa.gov)>, Elizabeth Blake - Q0A <[elizabeth.blake@gsa.gov](mailto:elizabeth.blake@gsa.gov)>, Nathaniel Clouser-Simerlink - QP0GB <[nathaniel.clouser-simerlink@gsa.gov](mailto:nathaniel.clouser-simerlink@gsa.gov)>, Neichole Linhorst - Q20B <[neichole.linhorst@gsa.gov](mailto:neichole.linhorst@gsa.gov)>

Good afternoon Cristina and Brian,

Today, the OIG sent a follow-up request for this hotline. They are requesting a formal response to the OIG for this matter. Please provide a formal response for Sonny's signature by **COB on July 6th. I have also included the additional incoming document in a 6/28/21 folder linked in the response folder.**

**If you have any further questions, please let me know.**

Regards,  
Tiara Cobbin  
Program Analyst  
Office of the FAS Commissioner  
Federal Acquisition Service  
U.S. General Services Administration  
(b) (6)  
[tiara.cobbin@gsa.gov](mailto:tiara.cobbin@gsa.gov)

On Tue, Jun 22, 2021 at 4:58 PM Brian Conrad - QQC <[brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)> wrote:  
Thx Cristina,

We are tracking this and will start putting the response together.

R/  
Brian

On Tue, Jun 22, 2021 at 4:00 PM Cristina Brydges - Q2 <[cristina.brydges@gsa.gov](mailto:cristina.brydges@gsa.gov)> wrote:  
+ Ashley and Brian

Thanks, Tiara.

Correct, we did already receive the letter from A-Suite/Sonny. We will put together a response/briefing for FAS/A-Suite (b) (5)

On Tue, Jun 22, 2021 at 3:53 PM Tiara Cobbin - Q0A <[tiara.cobbin@gsa.gov](mailto:tiara.cobbin@gsa.gov)> wrote:

Good afternoon:

I am forwarding this OIG Hotline referral concerning a complaint regarding FedRamp. This matter is apparently being handled through other channels, as well.

No official response is required to the OIG, but because the complaint includes a memo to the Acting Administrator, Exec Sec plans to share FAS's final findings with the A Suite. So please create an informal response on the uploaded template (The memo could be made out "to" Katy Kale or simply be for the file as we normally handle these.)

Please find within this [folder](#) the incoming materials.

Please respond by providing a memo for review by **COB, July 09, 2021**.

If you have any questions, please let me know.

Regards,

Tiara Cobbin  
Program Analyst  
Office of the FAS Commissioner  
Federal Acquisition Service  
U.S. General Services Administration  
(b) (6)  
[tiara.cobbin@gsa.gov](mailto:tiara.cobbin@gsa.gov)

--  
**Cristina Brydges**  
**Chief of Staff**  
**Technology Transformation Services**  
<https://join.tts.gsa.gov/>

-----  
**Brian H. Conrad**  
(Acting) **FedRAMP** Director  
Program Manager for Cybersecurity  
[brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)  
Phone: (b) (6)



Brian Conrad - QQC &lt;brian.conrad@gsa.gov&gt;

---

**Folder shared with you: "CC044616"**

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**Cristina Brydges - Q2 (via Google Drive)** <drive-shares-dm-noreply@google.com>

Wed, Jun 30, 2021 at 6:19 PM

Reply-To: Cristina Brydges - Q2 &lt;cristina.brydges@gsa.gov&gt;

To: brian.conrad@gsa.gov

cristina.brydges@gsa.gov shared a folder



cristina.brydges@gsa.gov has shared a link to the following folder:

 CC044616[Open](#)Google LLC, [1600 Amphitheatre Parkway, Mountain View, CA 94043, USA](#)

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[Google Workspace](#)



William Hamilton - QQC <william.hamilton@gsa.gov>

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## A Suite Briefing - Lazarus Alliance

---

John Hamilton <william.hamilton@gsa.gov>

Tue, Jun 29, 2021 at 4:25 PM

To: Ashley Mahan - QQC <ashley.mahan@gsa.gov>, Brian Conrad - QQC <brian.conrad@gsa.gov>

Cc: Theresa West - QQC-C <theresa.west@gsa.gov>

Ashley and Brian -

For your review is the [A Suite briefing](#) on Lazarus Alliance. Please let us know if you'd like to schedule a separate call later this week to review together.

Thank You -  
John

--

John Hamilton

FedRAMP Program Manager of Security Operations

Technology Transformation Service | GSA

(b) (6) | [william.hamilton@gsa.gov](mailto:william.hamilton@gsa.gov)



U.S. General Services Administration

DATE: JULY 08, 2021

MEMORANDUM FOR: (b) (6), (b) (7)(C)  
DIRECTOR, INTELLIGENCE DIVISION  
OFFICE OF INVESTIGATIONS  
OFFICE OF INSPECTOR GENERAL (JII-1)

THROUGH: SONNY HASHMI (b) (6) 7/8/2021  
COMMISSIONER  
FEDERAL ACQUISITION SERVICE (Q)

FROM: DAVE ZVENYACH (b) (6)  
DEPUTY COMMISSIONER, FEDERAL  
SERVICE AND DIRECTOR, TECHNOLOGY  
TRANSFORMATION SERVICES (Q2)

SUBJECT: HOTLINE COMPLAINT H21H00092

This memorandum is in response to the above-referenced Office of Inspector General hotline referral dated June 5, 2021 related to the Technology Transformation Services' (TTS) Federal Risk and Authorization Management Program Management Office (FedRAMP PMO). The complaint from Michael Peters alleges his organization has been denied due process according to the Third-Party Assessment Organization (3PAO) Obligations and Performance Standards, Version 3.1, May 18, 2021 in the revocation of his organization's FedRAMP 3PAO accreditation. Additionally, he alleges the revocation is in reprisal due to a previous complaint his organization made regarding a similar allegation that the FedRAMP PMO was not following its procedures.

On June 3, 2021, the FedRAMP PMO informed via [letter](#) to Michael Peters, the President and CEO of Lazarus Alliance, that his organization's FedRAMP 3PAO recognition had been revoked and that his organization's FedRAMP Marketplace page had been removed. The justification for the revocation is documented in the letter based on Lazarus Alliance's inability to provide a sufficient corrective action plan (CAP) response, in accordance with [FedRAMP's 3PAO Obligations and Performance Standards](#), to remediate the repeated security assessment reports (SAR) (i.e., test case workbook and penetration test report) accuracy and completeness concerns, identified by both the FedRAMP PMO and the Department of Veterans Affairs (VA), for the Somnoware initial authorization assessment.

FedRAMP requires that prospective 3PAOs receive accreditation from the American Association for Laboratory Accreditation A2LA, which follows International Standardization Organization/International Electrotechnical Commission (ISO/IEC) 17020 (as revised) Requirements for the Operation of Various Types of Bodies Performing Inspection. 3PAOs are expected to continuously meet and demonstrate that they comply with ISO/IEC 17020 (as revised) and FedRAMP requirements to maintain their FedRAMP recognition. As documented in the 3PAO Obligations and Performance Standards, FedRAMP has the authority and responsibility to pursue corrective actions related to a 3PAO's FedRAMP recognition status in the event that a 3PAO's performance does not meet FedRAMP's requirements for FedRAMP authorized status. The 3PAO Obligations and Performance Standards document lays out the process by which the FedRAMP PMO pursues corrective action against a FedRAMP authorized 3PAO that does not meet the program's requirements for status as a FedRAMP authorized 3PAO. The FedRAMP PMO followed this corrective action process in regard to the revocation of the Lazarus Alliance's authorized 3PAO status.

The FedRAMP PMO informed Michael Peters that, in accordance with FedRAMP's 3PAO Obligations and Performance Standards, Lazarus Alliance's "Revoked" status indicates the organization is not authorized to provide FedRAMP assessment services for CSPs pursuing or maintaining FedRAMP authorizations. The FedRAMP PMO stated that Lazarus Alliance can no longer utilize FedRAMP branding in its marketing and that Lazarus Alliance has to remove references to the FedRAMP program in all of its public facing marketing materials, including those indicating Lazarus Alliance's FedRAMP recognition, in compliance with [FedRAMP's branding guidelines](#).

Additionally, the FedRAMP PMO indicated that Lazarus Alliance has the opportunity to regain FedRAMP 3PAO recognition status by re-entering the qualification process through the A2LA Cybersecurity Inspection Body Program.

Please reach out to Brian Conrad, Acting FedRAMP Director ([brian.conrad@gsa.gov](mailto:brian.conrad@gsa.gov)) if you have questions or need further information.